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SUBJECT: NEW OPPOSITION SHADOW CABINET

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Classified By: Political Counselor James F. Cole, for reasons 1.4 (b) a  
nd (d).

11. (SBU) SUMMARY: Liberal Party leader Brendan Nelson announced his new Shadow Ministry December 6, the same day Prime Minister Rudd held his first Cabinet meeting. Nelson's front bench is a mixture of veterans from the Howard Government and newcomers. None of the veterans were in the same portfolios they had occupied under John Howard. Long-serving former Treasurer Peter Costello and former Foreign Minister Alexander Downer declined to accept portfolios in the Shadow Ministry and have moved to the backbench. In addition to the earlier appointments of Malcolm Turnbull as Shadow Treasurer and Deputy Opposition Leader Julie Bishop as Spokesperson for Workplace Relations (reftel), Nelson announced the appointment of Senator Nick Minchin, formerly Finance Minister, as Coalition Spokesperson for Defense. Andrew Robb, Howard's campaign director when he first was elected prime minister in 1996 and a junior minister in the last Howard government, is the new Shadow Minister for Foreign Affairs. With the National Party winning only 10 seats in the November election, it did not receive the Trade Portfolio, which was given to the Liberal Party's Ian MacFarlane, the former minister for Industry. Joe Hockey, who defended Howard's unpopular workplace relations laws during the campaign, received another prominent position as Shadow Health and Aging Minister, while the polarizing right-winger and Howard-favorite, former Health Minister Tony Abbott, received the portfolio of Family, Community Services and Indigenous Affairs. END SUMMARY.

MINCHIN FOR DEFENSE

12. (SBU) Senator Nick Minchin from South Australia, one of the Coalition's most senior members, has been appointed Shadow Defense Minister. Formerly Government Leader in the Senate and Minister for Finance, Minchin is close to former Foreign Minister Alexander Downer. They are both from the right-wing of the South Australian Liberal Party. Minchin, who visited the US on a political exchange in 1990, is a strong supporter of the US Alliance.

ROBB AT FOREIGN AFFAIRS

13. (SBU) Andrew Robb, from the state of Victoria, although in Parliament only since 2004, as expected, received Foreign Affairs. He is a former Liberal Party Federal Director who helped John Howard win his first election in 1996. Robb has also worked as executive director of two prominent business lobbying organizations. He served as Minister for Vocational Education and Training in the last Howard government. Robb is one of the Coalition's more credible performers and while he has no background in foreign affairs, he has the political experience and stature within the Liberal Party that the job

demands.

#### EDUCATION GOES TO A NEWCOMER

14. (SBU) Perhaps the biggest winner was Tony Smith, who has been handed the Education, Apprenticeship and Training portfolio. An adviser to former Treasurer Peter Costello before entering Parliament in 2001, Smith was Parliamentary Secretary to the Prime Minister before the election.

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Opposition Leader Nelson emphasized that Education would remain a separate portfolio for the Coalition, in contrast to the Government, which has created a "super-ministry" of Education, Employment and Workplace Relations under the leadership of Deputy Prime Minister Julia Gillard.

#### THE NATIONAL PARTY GETS LESS

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15. (SBU) The National Party, whose electoral fortunes continue to decline as its representation in the House of Representatives dropped from 12 to 10 seats after the November election, has had its representation in Shadow Cabinet downgraded. The Trade portfolio, for decades held by the Nationals, has now been assigned to Liberal MP Ian Macfarlane, a former Industry Minister.

#### JOE HOCKEY GETS HEALTH

16. (SBU) In other significant appointments, former Workplace Relations Minister Joe Hockey is now Shadow Minister for Health. This is another prominent role for him and should help him erase his previous image as the defender of Howard's

unpopular workplace relations laws. Greg Hunt, former parliamentary secretary to Foreign Minister Downer, is now spokesperson for climate change. Former Aging Minister Christopher Pyne, an unsuccessful contender for the Deputy Leadership and a long-time supporter of Peter Costello's leadership ambitions, surprisingly was left out of Shadow Cabinet and assigned the Justice and Border Protection portfolio. George Brandis, a Peter Costello supporter who came to prominence in 2004 for allegedly calling Howard a "lying rodent," is Shadow Attorney-General. Former Health Minister Tony Abbott, is now Shadow Minister for Family, Community Services and Indigenous Affairs.

#### PAYOFF FOR ABBOTT?

17. (C/NF) COMMENT: Abbott demonstrated his propensity for insensitivity and controversy during what was a disastrous election campaign for him. His appointment to the emotive area of Families, Community Services and Indigenous Affairs is risky, particularly given the fact that he is an outspoken conservative Catholic who once studied for the priesthood. It is possible that Abbott received this portfolio in return for pulling out of the leadership contest and delivering his numbers to Nelson. That the National Party has lost its treasured Trade portfolio will please many Liberal MPs who believe the Nationals had an influence in John Howard's Coalition unwarranted by parliamentary representation or ability. Pitting the inexperienced Tony Smith in Education against the formidable Julia Gillard is perhaps surprising. A more experienced performer might have been better able to expose the weaknesses created by Gillard's overly expansive portfolio of education and workplace relations. Nevertheless, the Coalition frontbench - with 11 former Cabinet Ministers - should provide an effective opposition.

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